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CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY Argentina

SUBJECT Peron's Plans for Expanding Oil Production

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1. Self-sufficiency in petroleum and by-products is the number one objective of Peron's second five-year plan. Confident that it will reach its goal by the end of 1957, when the plan terminates, his government will have spent by that time an additional 2,400 million pesos in further developing the country's oil reserves.
2. Major projects now underway on Argentina's five large and widely dispersed oil zones, and its six more recently discovered sources, are:
 - A. Exploration of approximately 113,000 square kilometers of untapped areas, including drilling of some 500 new wells, calling for an expenditure of 782 million pesos.
 - B. Increasing present refining capacity of the country's six refineries from 15,000 to 20,000 cubic meters daily by the end of 1954 through completion of the "President Peron" refinery at an additional cost of 550 million pesos. The new refinery is expected to solve the nation's supply problem of avgas for civilian and military aircraft. With daily refining capacity of 4,500 cubic meters, its daily output will deliver 382,000 liters of aviation petrol in addition to 2,530,000 liters of ordinary petrol; 150,000 liters of liquid gas; 270,000 liters of kerosene; 90,000 liters of Diesel gas oil; 225,000 liters of Diesel fuel oil; 337,000 liters of fuel oil; 400,000 cubic meters of combustible gas and 572,000 kilos of coke.
 - C. Construction of a 1,600 km. pipeline from the extreme northwest province of Salta to carry crude petroleum from the Campo Duran field to the San Lorenzo refinery, some 350 kilometers distant from Buenos Aires, and the erection of a plant to produce hydrocarbides and other works at Campo Duran. The project will cost 775 million pesos.
 - D. Construction of a 660 km. pipeline to transport crude petroleum from Plaza Huincul, Territory of Neuquen, in the southwest, to the Eva Peron refinery, cost of construction to be 220 million pesos.
 - E. High quality lubricating oils presently imported will be produced in a new plant under construction at a cost of 146 million pesos.

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F. Storage capacity will be improved and increased with the construction of 19 new storage units and expansion of 12 existing ones, involving an outlay of 137 million pesos. The present fleet of 29 tankers is to be expanded by the purchase of small tonnage tankers and auxiliary vessels at a cost of 41 million pesos.

G. Construction of housing for the State Oil Company's workmen and employees, presently totalling 120,000. 72 million pesos will be spent on the construction of new houses, schools, hospitals, markets, etc.

Current Petroleum Developments -end-

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